

RECEIVED

For KCC Use: 3-1-04
Effective Date: _____
District # 2
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

FEB 25 2004

Form C-1

September 1999

Form must be Typed

Form must be Signed

All blanks must be Filled

NOTICE OF INTENT TO DRILL KCC WICHITA

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date March 12, 2004
month / day / year

OPERATOR: License# 5192
Name: Shawmar Oil & Gas Co., Inc.
Address: P.O. Box 9
City/State/Zip: Marion, KS 66861
Contact Person: James M. Cloutier
Phone: 620-382-2932

CONTRACTOR: License# 32548
Name: Kan-Drill, Inc

Well Drilled For:		Well Class:	Type Equipment:
<input type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Wildcat	<input type="checkbox"/> Cable
<input type="checkbox"/> Seismic; # of Holes _____	<input type="checkbox"/> Other _____		

Spot C. NW¹/₄ NW¹/₄ NW¹/₄ Sec. 34 Twp. 18 S. R. 6 East West
330 feet from N (circle one) Line of Section
330 feet from E (circle one) Line of Section

Is SECTION Regular Irregular
(Note: Locate well on the Section Plat on reverse side)

County: Chase
Lease Name: Lips Well #: 1-34
Field Name: Lips (D)

Is this a Prorated / Spaced Field? Yes No
Target Formation(s): KC Lansing

Nearest Lease or unit boundary: 330
Ground Surface Elevation: 1459 feet MSL

Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 150
Depth to bottom of usable water: 150 180

Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 200

Length of Conductor Pipe required: NONE
Projected Total Depth: 1500

Formation at Total Depth: KC Lansing
Water Source for Drilling Operations:
Well _____ Farm Pond Other _____

DWR Permit #: _____
(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
If Yes, proposed zone: _____

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____
Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq. It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office *prior* to spudding of well;
2. A copy of the approved notice of intent to drill *shall be* posted on each drilling rig;
3. The minimum amount of surface pipe as specified below *shall be set* by circulating cement to the top; in all cases surface pipe *shall be set* through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary *prior to plugging*;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 days** of spud date. *In all cases, NOTIFY district office* prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: Feb. 24, 2004 Signature of Operator or Agent: [Signature] Title: President

For KCC Use ONLY

API # 15 - 017-20857-00-00

Conductor pipe required NONE feet

Minimum surface pipe required 200 feet per Alt. 1

Approved by: RJP 2-25-04

This authorization expires: 8-25-04
(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

- Remember to:**
- File Drill Pit Application (form CDP-1) with Intent to Drill;
 - File Completion Form ACO-1 within 120 days of spud date;
 - File acreage attribution plat according to field proration orders;
 - Notify appropriate district office 48 hours prior to workover or re-entry;
 - Submit plugging report (CP-4) after plugging is completed;
 - Obtain written approval before disposing or injecting salt water.

34 18 60

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - _____
 Operator: Shawmar Oil & Gas Co., Inc.
 Lease: Lips
 Well Number: 1-34
 Field: Lipps (D)

Number of Acres attributable to well: _____
 QTR / QTR / QTR of acreage: NW $\frac{1}{4}$ - NW $\frac{1}{4}$ - NW $\frac{1}{4}$

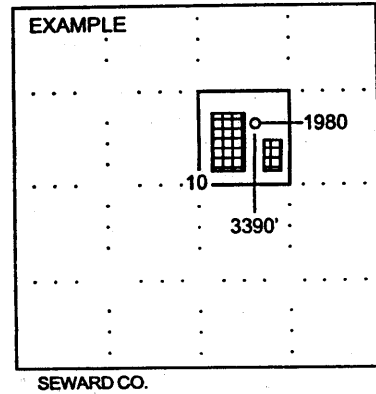
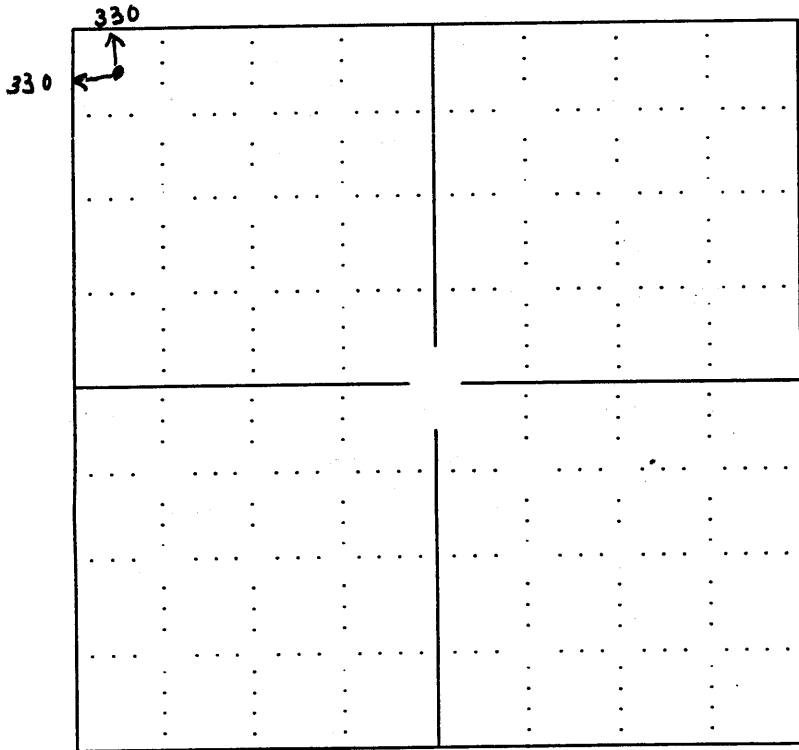
Location of Well: County: Chase
 _____ 330 feet from S N (circle one) Line of Section
 _____ 330 feet from E W (circle one) Line of Section
 Sec. 34 Twp. 18 S. R. 6 East West

Is Section X Regular or _____ Irregular

If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: ___NE ___NW ___SE ___SW

PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)
 (Show footage to the nearest lease or unit boundary line.)



NOTE: In all cases locate the spot of the proposed drilling locaton.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).